

Frequently Asked Questions: Flexible Spending Account & Health Reimbursement Account

1. Who administers the City's Flexible Spending and Health Reimbursement Account (FSA/HRA) program and what is their contact information?

Ameriflex www.myameriflex.com administers the City's FSA & HRA benefits and can be reached at 1-888-868-3539 or service@myameriflex.com regarding employee questions or issues. If Ameriflex is not able to resolve the problem, call DER/Employee Benefits at 414-286-8111.

2. What is a Flexible Spending Account (FSA)?

A FSA is a tax-advantaged financial account that allows employees to set aside a portion of their salary pre-tax for qualified expenses such as medical, pharmacy, dental, dependent care and parking during the plan year. Using pre-tax dollars allows employees to save up to 30% on eligible expenses and increases take home pay. Employees save 30 cents of every dollar set aside. The IRS determines the maximum amounts employees can contribute annually for each type of FSA. There are three types of flexible spending accounts: Healthcare, Dependent Care and Parking. Employees who enroll in a FSA determine the dollar amount to contribute to each account based on estimated expenses for the upcoming plan year. Contributions are deducted in equal amounts from the first and second paycheck each month, pre-tax, throughout the year. The more employees contribute to these accounts, the more they reduce their taxable gross salary and increase their take-home pay.

3. How do employees enroll in a Flexible Spending Account?

Employees can enroll in a FSA during the City's open enrollment period or outside of open enrollment if they are a new or rehired employee or if they experience a qualifying event (marriage, divorce, death, birth, adoption, etc.). During open enrollment employees enroll using the PeopleSoft Self Service program. After open enrollment, newly hired or rehired employees can enroll using the Self-Service Program or complete a paper enrollment form on DER's FSA website www.milwaukee.gov/FSA

4. Can employees change their FSA Healthcare election amount or enroll/dis-enroll outside of open enrollment?

Employees can enroll, dis-enroll or change their election amount for FSA Healthcare outside of open enrollment if they experience an employment status change or qualified life event/change in family status, such as marriage, divorce, death, birth, or adoption. Employees need to fill out the FSA Enrollment/Change Form on DER's FSA website www.milwaukee.gov/FSA and submit the form to DER/Employee Benefits within 31 days of the change.

5. Can employees change their FSA Dependent Care election amount or enroll/dis-enroll outside of open enrollment?

Employees can enroll, dis-enroll or change their election amount for FSA Dependent Care outside of open enrollment if they experience a change in their dependent care situation or provider.

6. Can employees change their FSA Parking election amount or enroll/dis-enroll outside of open enrollment?

Employees can enroll, dis-enroll or change their election amount for FSA Parking at any time outside of open enrollment.

7. What are the IRS 2024 maximum annual amounts employees can contribute to each FSA account?

Flexible Spending Healthcare	\$3,200
Flexible Spending Dependent Care	\$5,000 (per family)
Flexible Spending Parking	\$3,780 (Monthly Max of \$315)

8. What are eligible FSA/HRA expenses?

FSA funds can only be used for eligible expenses under each specific FSA plan type including medical and dental office visit coinsurance, pharmacy prescriptions, dental services, eye exams, glasses; work related parking expenses, child daycare, pre-school, and summer day camps. Eligible HRA expenses are the same as eligible FSA Healthcare expenses. See the Eligible Expenses flyer on DER's FSA website: www.milwaukee.gov/FSA.

9. Do employees need to provide their Social Security Number (SSN) to Ameriflex on forms or over the phone?

No. Ameriflex uses the employee ID as an identifier for City participants and does not receive employee social security numbers. City employees should provide their employee ID on all Ameriflex paperwork or customer service calls instead of SSN. Employees should provide employee ID on any documents that ask for SSN. Add three leading zeroes to the employee id when calling customer service and using the interactive voice system.

10. How do employees file a claim?

There are multiple options for participants. Participants receive a debit card, which can be used to pay eligible expenses at the point of purchase at healthcare, dental and vision provider offices as well as retailers and pharmacies. Participants can also submit claims online, via the mobile app (take a picture and submit through the app), through email, fax or mail. Some expenses may require verification and participants will need to provide a copy of the EOB (Explanation of Benefits) or an itemized receipt. Ameriflex will notify participants when further documentation is needed.

11. Once a claim is filed, how long does it take to be reimbursed?

Once the claim is validated and processed, Ameriflex will provide reimbursement. All qualified claim requests will be processed and issued within 5 business days. Employees can review a claim status by creating and logging into their account at www.myameriflex.com.

12. How do employees access their FSA or HRA accounts?

Employees can setup an online account to view their FSA/HRA account balance and claim history, file claims online and sign up for direct deposit for faster reimbursement at

www.myameriflex.com. Employees can also download the Ameriflex mobile app (not the MyAmeriflex App) to manage their account. Search for Ameriflex in the app store. Flyers for accessing both the Ameriflex employee portal website and mobile app can be found on DER's FSA website: www.milwaukee.gov/FSA

13. What is a Health Reimbursement Account (HRA) and how does it work?

A HRA is a plan selected by the City and administered by Ameriflex to reward employees for participating in the City's Healthy Rewards Program. Healthy Rewards is the City's incentive based wellness program where participants earn three levels of points (75, 100 and 125) for a \$150, \$250 or \$350 HRA (\$700 with spouse participation). A HRA works just like a FSA Healthcare plan for medical, dental and pharmacy related expenses. A HRA cannot be used for parking or dependent care expenses. If two city employees are married to each other and they earn a HRA, all HRA funds are deposited into the employee's account that carries the City's health insurance.

14. What is an FSA/HRA debit card?

The debit card allows employees to access the funds immediately at the time of service or purchase in their HRA or FSA without having to complete and file forms. Employees can use the card whenever they incur an eligible expense at a qualified provider (ie. office visit copay or a prescription at a pharmacy). Ameriflex may ask you to provide documentation when using the debit card.

15. How many cards will employees receive?

Employees who are enrolled in the City's FSA program or employees that earn a HRA through the wellness program will receive one debit card in the mail that can be used to pay eligible expenses. Employees will also receive a debit card for each dependent over age 18 once they are added to the employee's account on the MyAmeriflex portal www.myameriflex.com. Employees can add a dependent by going to the "More" menu, choosing "Profile" and selecting "Add Dependent."

16. Will a new FSA/HRA card be sent every year?

No. The debit card remains active until the expiration date shown on the front of the card and should not be thrown away when funds are depleted, even if employees skip a year of FSA/HRA participation. The card will be re-loaded with new annual FSA election amounts at the start of each plan year or incrementally with each pay period, based on the type of FSA account, and at the time the Healthy Rewards HRA amount is earned.

17. Can employees participate in both FSA and HRA?

Employees may have both a FSA and HRA but cannot submit the same expenses to both plans or they may be subject to penalties through the IRS. The same expenses that are eligible for reimbursement under the FSA Healthcare plan are eligible for reimbursement under the HRA, including medical and dental deductibles, copays, coinsurance, prescription and vision expenses. If an employee has a FSA and HRA plan, expenses will be deducted from the FSA plan first. Once FSA funds are exhausted, expenses will be deducted from the HRA.

18. Do FSA Healthcare and HRA funds expire at the end of the year and are there any rollover amounts?

FSA Healthcare funds expire at the end of each plan year and per IRS regulations, the City allows up to \$640 that can be rolled over from 2024 to 2025. Any unused funds above \$640 will be lost at the end of 2024. HRA funds do not expire and rollover from year to year if not used and funds are available up to three years after an employee separates from the City.

19. How long do employees have to file FSA Healthcare claims after the plan year ends?

Employees have until the end of April of the following year to file claims and receive reimbursement for expenditures incurred during the previous year. Any unclaimed healthcare funds above the rollover amount after April are forfeited by the participant. Employees should not use their debit card at the beginning of a new year for prior year expenses. Employees should file a claim via Ameriflex app or claim form.

20. How long do employees have to file FSA Dependent Care claims after the plan year ends?

Employees have until the end of April of the following year to file claims and receive reimbursement for expenditures incurred during the previous year. Any unclaimed dependent care funds after April are forfeited by the participant. Starting in 2024, FSA Dependent Care will have a grace period and employees will have until the middle of March 2025 to use remaining 2024 funds.

21. How long do employees have to file FSA Parking claims after the plan year ends?

Employees have until February 15th of the following year to file parking claims and receive reimbursement for expenditures incurred during the previous year. The claim must also be submitted within 180 days of the date of service. Any unclaimed parking funds rollover to the following year.

22. How long do employees have to use FSA or HRA funds after they separate or retire from the City?

Coverage for all FSA plans ends on the employee's separation or retirement date. Employees can claim reimbursement of eligible FSA expenses within 30 days of the separation/retirement date. Expenses incurred for services/claims after the employee's separation date are not eligible for FSA reimbursement. Employees/retirees have three years to use remaining HRA funds after their separation/retirement date.

23. How do employees file reoccurring claims for regular monthly expenses like parking or dependent care?

Employees can fill out a reoccurring claim form for expenses like parking, dependent care, and orthodontia where employees are billed the same expense on a monthly basis. Reoccurring claim forms are available on www.milwaukee.gov/FSA